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EXAMINER

CHENCINSKI, SIEGFRIED E

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**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Paper No. 11

Application Number: 09/517,419
Filing Date: March 02, 2000
Appellant(s): NELSON ET AL.

Christopher B. Kilner
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed January 15, 2004.

(1) *Real Party in Interest*

A statement identifying the real party in interest is contained in the brief.

(2) *Related Appeals and Interferences*

The brief contains a statement that there are no other appeals and interferences that relate to the Application.

(3) *Status of Claims*

The statement of the status of the claims contained in the brief is correct.

(4) *Status of Amendments After Final*

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) *Summary of Invention*

The summary of invention contained in the brief is correct.

(6) *Issues*

The appellant's statement of the issues in the brief is correct.

(7) *Grouping of Claims*

Appellant's brief includes a statement that claims 1, 2 and 4; 5 and 20; 6-12; 16-19; and 21-22 do not stand or fall together and provides reasons as set forth in 37 CFR 1.192(c)(7) and (c)(8).

(8) *Claims Appealed*

The copy of the appealed claims contained in the Appendix to the brief is correct.

(9) *Prior Art of Record*

NOVASTAR FINANCIAL, NEWS RELEASE, "Novastar 6-1999
INC. Financial Inc. Announces On-

Art Unit: 3628

	Line Automated Loan	
	Origination and Approval As	
	Fannie Mae Seller/Service"	
IQUE, INC.	NEWS RELEASE,	11-1998
	SMART.ALX, Software for	
	the Credit Information	
	Industry,	
20030081824 A1	MENNIE ET AL.	5-2003
5940812	TENGEL ET AL.	8-1999
5611052	DYKSTRA ET AL.	3-1997

(10) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. **Re. Claims 1, 2 and 4 are rejected** under 35 U.S.C. 103(a) as being unpatentable over Novastar Financial, Inc. Announces On-Line Automated Loan Origination and Approval As Fannie Mae Seller Service, June 16, 1999 (hereafter Novastar), in view of Mennie et al (US Patent Pub. 2003/0081824) and IQue, Inc. (IQue hereafter, <http://www.ique.com/mergew.htm>).

Art Unit: 3628

Re. Claim 1, Novastar discloses a method for loan application and credit correction comprising:

- completing an electronic loan application form on a loan application terminal, the loan application terminal connected to a loan application server (Page 1, Para 1, lines 2-4. the terminal and Server are inherent to the web site method);
- requesting a credit report via the loan application terminal (Page 1, Para. 2, line 2);
- receiving the credit report comprising credit references (Page 1, Para. 2, line 2);
- creating a loan package comprising the electronic loan form, the credit report, and the electronic copy of the supporting documents (Para. 3); and
- submitting the loan package electronically to a plurality of lenders (Inherent in Para's 1, 2 & 3);

further comprising:

- the borrower deciding to dispute a credit reference (Para. 3);
- the borrower designating electronically those credit references to be disputed (Para. 3; para. 6, lines 4-5);
- the borrower designating to the loan application server electronically the reason for disputing the credit reference (Para. 3; para. 6, lines 4-5); and
- the loan application server automatically generating a dispute communication relating to the credit reference (Inherent – Para. 3).

Novastar does not explicitly disclose

- assembling and scanning supporting documents from a borrower for a loan to create an electronic copy of the supporting documents;
- parsing the credit references in a user-configurable manner;

However, Mennie discloses the assembling and scanning of supporting documents from a borrower for a loan to create an electronic copy of the supporting documents (Mennie – Para. [0103], partic. lines 5, 6, 10, 25-31; and IQue discloses parsing the credit references in a user-configurable manner (Page 3).

Art Unit: 3628

It would have been obvious to an ordinary practitioner of the art at the time of applicant's invention to have combined the disclosures of Novastar with those of Mennie and IQue for the purpose of establishing a more efficient automated method for electronic loan application and for correcting credit report errors.

Re. Claim 2, Novastar discloses the method for loan application and credit correction of claim 1 further comprising,

- receiving electronic offers from the plurality of lenders at the loan application terminal (Inherent, Para's 1&3); and
- electronically submitting the offers to the borrower for selection (Para. 3).

Re. Claim 4, Novastar discloses the method for loan application and credit correction of claim 1 further comprising:

- the loan application server adding any response to the dispute communications to the loan package (Inherent, Para. 3); and
- the server submitting the loan package to a plurality of lenders for review (Inherent, Para's 1&3).

3. Claim 5 and 20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tengal et. al. (U.S. Patent 5,940,812) in view of IQue, Dykstra et al. (U.S. Patent 5,611,052), and Novastar.

Re. Claim 5, Tengal discloses requesting credit information from a plurality of credit bureaus and receiving credit information electronically from the plurality of credit bureaus (Col. 9 lines 1 - 10 and Fig. 2A - 206 & 208).

Tengal does not disclose parsing and configuring credit information or a credit dispute process. Dykstra discloses a loan application system comprising parsing the credit information into categories in a database (Col. 5, lines 39 - 49). The SMARTALX product of IQue discloses configuring the credit information in the database according to the user definable parameters of ique.com (Supra). It would have been obvious to one skilled in the art at the time the invention was made to modify the teachings of Tengal to

Art Unit: 3628

include the parsing of IQue and the database of Dykstra to allow the credit report to be sorted and manipulated for easier viewing and to store the information in a manipulative format for later use.

Tengel does not disclose a credit dispute process.

Novastar discloses configuring the credit information in the database according to user definable parameters: the borrower deciding to dispute a credit reference; the borrower or broker designating electronically those credit references to be disputed; the borrower or broker designating electronically the reason for disputing the credit reference; and automatically generating a dispute communication relating to the credit reference.

It would have been obvious to an ordinary practitioner of the art at the time of applicant's invention to have combined the disclosures of Tengal with those of Dykstra, ique.com and Novastar for the purpose of establishing a more efficient automated method for on line loan application and for correcting credit report errors.

Re. Claim 20, Tengal does not explicitly disclose the method of claim 5 further comprising the borrower or broker requesting credit information from a plurality of credit bureaus.

However, Novastar discloses the method comprising the borrower or broker requesting credit information from a plurality of credit bureaus.

It would have been obvious to an ordinary practitioner of the art at the time of applicant's invention to have combined the disclosures of Tengal with those of Novastar for the purpose of establishing a more efficient automated method for on line loan application and for correcting credit report errors.

4. Claims 6-12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Novastar in view of Dykstra.

Re. Claim 6, Novastar discloses a system for loan application comprising:

- a loan application terminal comprising a loan application form to be completed by a borrower and further comprising an electronic request form for requesting credit bureau information about the borrower (Inherent, Para's 1-3);
- a network connected to the loan application terminal;

Art Unit: 3628

- a loan application server connected to the loan application terminal over the network for receiving the loan application form and the request for credit information (Inherent, Para. 1);
- the server further comprising instructions for requesting the credit information electronically from the plurality of credit bureaus and receiving the credit information over the network (Para. 3, the server is inherent);
- the server further comprises instructions for permitting the borrower to identify credit references of interest (Inherent in Para. 3);
- the server further comprises instructions for allowing the borrower to designate those credit references that the borrower wishes to dispute (Inherent – Para. 3);
- the server further comprises instructions for presenting to the borrower options for explaining and disputing the inaccurate credit references, and for automatically generating a communication to an appropriate credit bureau based upon the dispute option selected by the borrower (Inherent – Para. 3); and
- the server further comprising instructions for assembling the loan application form together with the credit information to form a loan package and for submitting the loan package to a plurality of lenders over the network (Inherent, Para. 3).

Novastar does not explicitly disclose the server further comprising instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters.

However, Dykstra discloses the server further comprising instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters (Col. 5, lines 39-58).

It would have been obvious to an ordinary practitioner of the art at the time of applicant's invention to have combined the disclosures of Novastar with those of Dykstra for the purpose of establishing an efficient, automated electronic loan application and for correcting credit report errors.

Art Unit: 3628

Re. Claim 7, Novastar discloses the server comprises instructions for receiving offers from lenders desiring to lend money to the borrower and for conveying the offers from the lenders to the borrower (Inherent - Para. 3).

Re. Claim 8, Novastar's disclosures are discussed above. Novastar does not explicitly disclose parsing. Dykstra discloses a method comprising instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters (Col. 5, lines 39 - 58). It would have been obvious to one skilled in the art at the time the invention was made to modify the disclosures of Novastar to include the parsing into the database of Dykstra to allow the data to be stored and manipulated into a desirable format for the future.

Re. Claim 9, Novastar discloses the system for loan application and credit correction of claim 6 wherein the server further comprises instructions for displaying to a borrower a narrative version of the received credit information (Inherent - Para. 3).

Re. Claim 10, Novastar discloses the system for loan application and credit correction of claim 6 wherein the network is the internet (Para. 1).

Re. Claim 11, Novastar does not explicitly disclose a wireless network. However, the kind or type of item is not a test of an inventive step. It would have been obvious to one skilled in the art to modify the system of Novastar to include a wireless network to permit access to the system by mobile users.

Re. Claim 12, Novastar does not explicitly disclose intranet. However, the kind or type of item is not a test of an inventive step. It would have been obvious to one skilled in the art to modify the system of Novastar to include an intranet to further permit greater access to the system.

5. Claims 16-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tengel in view of Dykstra, IQue, Inc. and Novastar.

Re. Claim 16, Tengel discloses a system for reviewing credit information comprising:

- a computer terminal comprising means to input a request for credit information about a borrower (Supra);
- a network connected to the computer terminal (Supra);

Art Unit: 3628

- a server connected to the computer terminal over the network for receiving the request for credit information (Supra);
- the server further comprising instructions for requesting the credit information electronically from at least one credit bureau and receiving the credit information over the network (Supra);

Tengel does not disclose that the server further comprises instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters. However, Dykstra discloses a server which comprises instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters. Dykstra discloses a loan application system comprising parsing the credit information into categories in a database. The SMARTALX product of IQue discloses configuring the credit information in the database according to the user definable parameters of IQue. It would have been obvious to one skilled in the art at the time the invention was made to modify the teachings of Tengal to include the parsing of ique.com and the database of Dykstra to allow the credit report to be sorted and manipulated for easier viewing and to store the information in a manipulative format for later use.

Tengel does not disclose that

- the server further comprises instructions for permitting the borrower to identify credit references of interest;
- the server further comprises instructions for allowing the borrower to designate those credit references that the borrower wishes to dispute; and
- the server further comprises instructions for presenting to the borrower options for explaining and disputing the inaccurate credit references, and for automatically generating a communication to the credit bureau based upon the dispute option selected by the borrower.

However, Novastar discloses:

Art Unit: 3628

- the server further comprises instructions for permitting the borrower to identify credit references of interest;
- the server further comprises instructions for allowing the borrower to designate those credit references that the borrower wishes to dispute; and
- the server further comprises instructions for presenting to the borrower options for explaining and disputing the inaccurate credit references, and for automatically generating a communication to the credit bureau based upon the dispute option selected by the borrower.

It would have been obvious to one skilled in the art at the time the invention was made to modify the teachings of Tengel to include the parsing of ique.com with the the credit dispute procedure of Novastar to allow the credit report to be sorted and manipulated for easier viewing, to help input the information for the completion of the application and to correct credit reports for better loan opportunities.

Re. Claim 17, Tengel discloses the system of claim 16 wherein the network is selected from the group consisting of the internet, a wireless network, and an intranet (Supra).

Re. Claim 18, the disclosures of Tengel are cited above. Tengel does not explicitly disclose the aspect of the system of claim 16 wherein the server further comprises instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters. However, Dykstra discloses a system wherein the server further comprises instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters. It would have been obvious to one skilled in the art at the time the invention was made to modify the teachings of Tengel to include the parsing system of Dykstra to allow the credit report to be sorted and manipulated for easier viewing, to help input the information for the completion of the application and to correct credit reports for better loan opportunities.

Re. Claim 19, Tengel discloses the system of claim 16 wherein the server further comprises instructions for displaying to a borrower a narrative version of the received credit information.

Art Unit: 3628

6. Claims 21-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tengel and in view of Novastar.

Re. Claim 21, Tengel discloses a method for reviewing credit information comprising:

- a borrower or broker requesting credit information from at least one credit bureau; receiving credit information electronically from the at least one credit bureau;
- Tengel does not disclose a method wherein:
 - the borrower deciding to dispute a credit reference;
 - the borrower or broker designating electronically those credit references to be disputed;
 - the borrower or broker designating electronically the reason for disputing the credit reference; and
 - automatically generating a dispute communication relating to the credit reference.

However, Novastar discloses a method wherein:

- the borrower deciding to dispute a credit reference;
- the borrower or broker designating electronically those credit references to be disputed (Supra);
- the borrower or broker designating electronically the reason for disputing the credit reference; and
- for automatically generating a dispute communication relating to the credit reference.

It would have been obvious to one skilled in the art at the time the invention was made to modify the teachings of Tengel to include the credit dispute procedure of Novastar to help input credit information for the completion of the application and to correct credit reports for better loan opportunities.

Re. Claim 22, Tengel discloses a system for reviewing credit information comprising a computer terminal comprising means to input a request for credit information about a borrower, including a network connected to the computer terminal; a server connected

Art Unit: 3628

to the computer terminal over the network for receiving the request for credit information; and the server further comprising instructions for requesting the credit information electronically from at least one credit bureau and receiving the credit information over the network.

Tengel does not explicitly disclose a system wherein the server further comprises instructions for allowing the borrower to designate those credit references that the borrower wishes to dispute; and the server further comprises instructions for presenting to the borrower options for explaining and disputing the inaccurate credit references, and for automatically generating a communication to the credit bureau based upon the dispute option selected by the borrower.

However, Novastar discloses a system wherein the server further comprises instructions for allowing the borrower to designate those credit references that the borrower wishes to dispute; and the server further comprises instructions for presenting to the borrower options for explaining and disputing the inaccurate credit references, and for automatically generating a communication to the credit bureau based upon the dispute option selected by the borrower.

It would have been obvious to one skilled in the art at the time the invention was made to modify the teachings of Tengal to include the credit dispute system of Novastar to help input credit information for the completion of the application and to correct credit reports for better loan opportunities.

(11) Response to Argument

A. APPELLANT ARGUES THAT:

1. There is no suggestion or motivation to combine references for rejection under 35 USC § 103;
2. The prior art must teach or suggest every limitation of the claimed invention, as the invention must be considered as a whole; and

Art Unit: 3628

3. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in Appellant's disclosure.

B. THE BOARD'S ATTENTION IS DIRECTED TO THE FOLLOWING POSITION OF THE EXAMINER:

1. In response to Appellant's argument that there is no suggestion or motivation to combine the references for rejection under 35 USC § 103:

In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). MPEP 2144. Further, the Examiner recognizes that references cannot be arbitrarily combined and that there must be some reason why one skilled in the art would be motivated to make the proposed combination of primary and secondary references. *In re Nomiya*, 509 F.2d 566, 184 USPQ 607, (CCPA 1975). However, there is no requirement that a motivation to make the modification be expressly articulated. The test for combining references is what the combination of disclosures taken as a whole would suggest to one of ordinary skill in the art. *In re McLaughlin* 443 F.2d 1392, 1395, 170 USPQ 209, 212 (CCPA 1971). Also, references are to be evaluated according to what they suggest to one versed in the art, rather than by their specific disclosures. *In re Bozek*, 163 USPQ 545 9ccpa) 1969.

In this case, the primary reference, Novastar, is being used for its teaching of the overall concept of loan application and credit correction recited in the appealed claims. Novastar teaches a method and system of automated loan origination and approval. Novastar's teaching includes an automated system for entering borrower information

Art Unit: 3628

into a system, obtaining credit information, correcting inaccuracies in the credit information, presenting loan applications to the lender and obtaining loan underwriting decisions. Novastar inherently teaches the borrower making decisions regarding the dispute of credit references. Also inherent to Novastar's teaching is the borrower's directing the references which are to be disputed. Both of these inherencies are based on the important realization that only a borrower can play this role because only the borrower has the information needed to make such decisions and give such direction. Other parties, such as mortgage brokers, can advise and assist in these matters, but they are only qualified to be the borrower's agents in the process, which may include providing the clerical service of operating the automated computer system, such as the keyboard inputs of these decisions into the system. Novastar teaches borrower direct inputs through their announcement of the planned expansion of the system in paragraph six, lines 4-6, to enable the borrower to directly enter information into the system through a web page.

Novastar does not explicitly teach two limitations of Appellant's claims 1, 2 and 4, namely 1. the assembling and scanning of a borrower loan application's supporting documents to create an electronic copy of such supporting documents, and 2. the parsing (breaking into smaller chunks) of the credit references (obtained from credit reporting agencies) in a user-configurable manner. This is why the Examiner has introduced the prior art of Mennie et al. and lque.com which the Examiner believes an ordinary practitioner of the art at the time of Appellant's invention would have so combined.

Novastar, Mennie et al., lque.com. and Appellant's invention all practice in the same field of art, namely the processing of consumer loan applications and the supporting activities of obtaining and correcting consumer credit information, computer automated processing and communication of the related information and related decision making, and the consequent obtaining of loans.

Mennie et al. teach documentation processing systems (Abstract, line 1). Mennie is cited because they provide clear motivation to use their document processing method, of which scanning is a core tool for transforming documents of any kind into

Art Unit: 3628

electronic form. When combined with an electronic application and electronic credit information, the complete electronic record enables the rapid electronic communication of an entire loan application record into a central computer and to each party who plays a role in the loan application and decision process. Mennie et al.'s motivation statement includes the providing of "a document processing system whereby the full image of the scanned document can be communicated to a central office" ([0010]). In support, Mennie et al. go into much detail to explain the great flexibility and broad utility of scanners for the assembling and scanning of supporting documents from a borrower for a loan in order to create an electronic image of such supporting documents to facilitate the communication of documents to the central office (Mennie – Para. [0103], partic. lines 5, 6, 10, 25-31).

Ique.com teach the providing of access to all major credit information databases (page 1, text lines 1-2).). An important element of ique.com's teaching is the ability to satisfy a need for "specific information from a credit report that is unique, such as a customer report built for you" (Page 3, lines 1-2). In this instance, ique.com's teaching supports the ability to facilitate the identification of erroneous credit information through a custom software package designed to most easily and reliably identify credit information errors. This capability is prior art which performs Appellant's limitation in claim 1 of "parsing the credit references in a user-configurable manner" (Claim 1, element (d)). This limitation is clearly intended to support other limitations of claim 1 which concern themselves with the disputing of erroneous credit report information. As mentioned above, this parsing capability is not explicitly disclosed in the prime reference, Novastar.

Appellant's argument that "Novastar fails to suggest any scanning of supporting documentation and, indeed, *has no need for it*" (page 6, line 22 – page 7, line 2), fails to consider that both Appellant and Novastar are automated systems, one of whose purposes is speedy conclusion of the loan application process. Appellant's argument implies that hand photo copying, perhaps even the hand entry of borrower documents for electronic input or the physical transportation or Fax transmission to the underwriter is acceptable in Applicant's invention contradicts the very first limitation of

Art Unit: 3628

claim 1, which calls for the scanning of supporting documents. The conversion of the supporting documents into electronic/digital form and consequent entry into the automated computer system is explicitly required by the limitations of claim 1.

Appellant also argues against the combination of ique.com's teaching with that of Novastar (page 7, lines 14-19). On the one hand, Appellant considers ique.com unnecessary due to being strictly duplicative of Novastar's teaching. As pointed out above, ique.com teaches a limitation which Novastar does not explicitly teach. On the other hand, Appellant suggests that only "impermissible hindsight" would motivate one of ordinary skill in the art to look beyond Novastar. The Examiner has documented the ordinary practitioner's motivation for looking beyond Novastar in the above discourse, thus demonstrating that impermissible hindsight by the Examiner is not involved. Appellant's argument that "none of the references teach or suggest any reason to combine with each other, absent impermissible hindsight, and appear to teach against any such combination" is invalid for the reasons cited above through the demonstration that each of the requirements of *In re Fine*, *In re Jones*, *In re Nomiya*, *In re McLaughlin* and *In re Bozek* have been satisfied.

Contrary to Appellant's argument, the combination of Mennie's scanning teaching and ique.com's credit information parsing teachings are appropriate prior art because they each carry with them the teaching and motivation to achieve Appellant's stated purposes, which meets the guidelines of *In re Fine* and *In re Jones* (above). Also, the Examiner has not combined these references arbitrarily because it is clear that there is good reason why one skilled in the art would be motivated to make the proposed combination of the primary reference of Novastar and secondary references of Mennie and ique.com. These reasons are: 1. Novastar does not provide details on how application documents are to be made part of the electronic record. Novastar also does not teach how credit information is to be obtained and how credit errors are to be identified; 2. Mennie provides the detailed teaching on how a scanning facilitated document processing system can efficiently create electronic copies of any kind of paper loan application document attachment for inclusion and transmission of electronic loan applications to a central location; 3. Ique.com provides the detailed explanation of

Art Unit: 3628

a system which efficiently captures and merges a loan applicant's credit information from the three largest national credit information providers and presents the information in the customized electronic format which will facilitate the efficient identification and correction of erroneous credit information. This combination of reasons satisfies the requirements of *In re Nomiya* (above) by showing the practitioner how these steps can be accomplished. The Examiner's combination as a whole of Mennie and ique.com with Novastar also meets the guidelines of *In re McLaughlin* (above) because the combinations suggest to one of ordinary skill in the art at the time of applicant's invention that the art of Novastar, combined with the art of *Mennie and ique.com*, would have enabled one of ordinary skill in the art to produce a method and system of rapid loan application and loan decision making which includes an expeditious process for evaluating applicant credit information and correction of any credit information errors and quickly and efficiently adding electronic copies of loan application document attachments to the electronic application file. *In re Bozek's* requirements are also satisfied because these references are evaluated for what they would have suggested to one of ordinary skill in the art.

2. In response to Appellant's argument that the prior art must teach or suggest every limitation of the claimed invention, as the invention must be considered as a whole.

Appellant recites this argument in detail under the section "All Claim Limitations Not Shown", page 8, line 1 – page 13, line 16):

a) Re. Claims 1, 2 & 4:

Re. Appellant's argument on page 8, lines 9-11 that "Mennie et al. ... nowhere suggests scanning of supporting documentation for an electronic loan application" does not meet the facts of the situation. Mennie cites the scanning of every

Art Unit: 3628

kind of document in any format, including the scanning of supporting documents for a loan application (Mennie – Para. [0103], partic. lines 5, 6, 10, 25-31). Therefore, an ordinary practitioner of the art at the time of Appellant's invention would have had clear incentives to select Mennie's prior art in combination with the art of Novastar to use scanning equipment for the assembling and scanning of supporting documents from a borrower for a loan in order to create an electronic copy of such supporting documents (Mennie – Para. [0103], partic. lines 5, 6, 10, 25-31), and to provide "a document processing system whereby the full image of the scanned document can be communicated to a central office" ([0010]).

Re. Appellant's argument on page 8, line 12 – page 10, line 14 that Novastar fails to teach the claim limitations involving the borrower deciding and directing the disputing of credit references is negated by the teachings of the prior art references. The Novastar art infers that only the borrower is in a position to perform these decision and direction roles because inherently only the borrower possesses the knowledge needed for these decisions and only the borrower can make these decisions and issue these related directions, regardless whose method and system we may be dealing with, including that of Novastar and Appellant. The role of others in the application process is inherently limited to the functions of agent and input clerk. It should be noted that neither Appellant's claims nor Novastar require the borrower to directly make keyboard inputs or to be an on-line operator of a computer input system for any purpose. Also, both the Novastar art and Appellant's invention permit the borrower to submit his decisions and directions by electronic means such as FAX, e-mail and land line or wireless telephone. Further, Novastar does in fact teach a planned direct option for the borrower to personally perform the clerical function of entering their decisions and directions directly into Novastar's system through a web page which was in the planning stages of being provided at the time of the Novastar news release.

b) Re. Claims 5 and 20:

Re. Appellant's argument on page 10, lines 17-19 re. Novastar and ique.com, the Examiner respectfully points out that the discussion above establishes that these two references represent a *prima facie* case of obviousness with respect to claim 1, as explained in section 1., above.

Re. Appellant's argument on page 10, line 19 – page 11, line 1, re. Tengel et al., the Examiner respectfully points out that Tengel et al. are only relied upon for requesting credit information from a plurality of credit bureaus and for receiving credit information electronically from the plurality of credit bureaus (Col. 9 lines 1 - 10 and Fig. 2A - 206 & 208). Contrary to Appellant's assertion, Tengel et al. are not relied upon for the viewing of credit reports, correction of credit report data, and/or automatic generation of credit dispute communications. The Tengel et al. reference is appropriate as prior art because this art is in the same art as that of Appellant's invention, dealing with borrowers, loan applications and lenders and certain methods and systems therefore. The motivation provided to one of ordinary skill in the art to combine Tengel's art with that of Novastar is Tengel's stated purposes of 'automatically matching any potential borrower to the best available loan' (Col. 2, lines 16-17) and to provide 'any potential borrower a fast and efficient access to a best available loan' (Col. 2, lines 19-21). These motivation statements put the Tengel art squarely in the art and motivations of Appellant and Novastar. Appellant's argument that Tengel is broker-centric is not relevant, although the Tengel motivation statements cited above actually demonstrate that Tengel's main concern is to help borrowers obtain the best available loan, which makes Tengel borrower centric. The involvement of brokers is to be expected since brokers are a major force in assisting borrowers in the obtaining of suitable loans" (Page 10, line 22 – page 11, line 1).

Re. Appellant's argument re. Dykstra et al., (page 11, lines 2-8), the Examiner respectfully points out that the Dykstra art is used for the sole teaching of parsing the credit information into categories in a database in a loan application system (Col. 5, lines 39-49). Parsing is widely used in the computer art. Dykstra's motivation is

Art Unit: 3628

similar to that of Appellant and of the other references. Dykstra's motivation is to provide "a fully integrated credit evaluation and loan processing system which provides access to multiple lenders, and which provides complete evaluation and approval of loans" (Col. 1, lines 57-60). It matters not that what Tengal may say about other aspects of the Dykstra teaching. Tengal does not criticize Dykstra's teaching on parsing. The importance of Dykstra in combination with Novastar and ique.com is that Dykstra supplements the ique.com teaching about parsing credit information. Dykstra and ique.com clearly complement each other to cover different detailed parsing related limitations claimed by Appellant, which is why both are cited in the rejections as secondary prior art. The Dykstra teaching continues beyond Col. 5, lines 39-49, at least through Col. 6, line 3, and even continuing beyond that point. Col. 5, line 57 includes an "appended report", Col. 5, line 63 specifically cites that "the credit report is parsed". Dykstra clearly cites much detail which is not disclosed in ique.com's SMART.ALX news release.

Re. Appellant's argument on page 11, lines 6-8, the Examiner respectfully points out that the combination of Tengal et al., ique.com, Dykstra et al., and Novastar does indeed establish a *prima facie* case of obviousness for at least the same reasons cited above with respect to claim 1, since Applicant's argument rests on his arguments against the rejection of claim 1.

Re. Appellant's argument on page 11, lines 9-12, Appellant's choice of "the borrower or the broker" being able to perform some of the steps just gives explicit recognition to the fact that the borrower implicitly must control the decisions regarding the disputing of a credit reference, the designation of which credit references to be disputed, and similar steps. Thus the "borrower or broker" option just adds partial recognition to the inherent reality of the situation which still requires the borrower to make the decisions and designations regardless of who performs the related clerical tasks of inputting the decisions and directives into the computer system and letting the automated system perform its on-line communications functions with the credit bureaus.

Art Unit: 3628

As is the case with the Examiner's above presentation of the rationale for the legitimacy of Novastar as the primary reference above in regards to claims 1, 2 and 4, Novastar remains as legitimate prior art regarding these arguments.

Re. Claims 6, 16 and 21-22:

Re. Appellant's arguments presented on page 16, line 10 – page 17, line 23:

Claims 6, 16 and 21-22 remain rejected because Appellant has argued that these claims are substantially coexistent with claims 1, 2, 4, 5 and 20. Since the rejection of claims 1, 2, 4, 5 and 20 properly meet the *prima facie* requirements for obviousness rejections under 35 USC 103 as presented by the Examiner above, the rejections are proper for claims 6, 16, and 21-22.

3. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in Appellant's disclosure.

The secondary references used to combine with Novastar are Mennie et al., ique.com, Tengal and Dykstra. The teachings and motivations for success presented in these references meet the requirements cited by *In re Fine*, *In re Jones*, *In re Nomiya*, *In re McLaughlin* and *In re Bozek* and are presented below for the Board's convenience:

- **Mennie et al.:** Mennie et al. teach the providing of "a document processing system capable of processing all types of documents and interfacing with all types of outside accounting systems" ([0006]); and, the providing of "a document processing system whereby the full image of the scanned document can be communicated to a central office" ([0010]).
- **ique.com** teaches "SMART.ALX software, the leading PC program providing access to all major credit information databases" (Page 1, line 1, body).
"SMART.ALX is Registered with Equifax, endorsed by Trans Union, and

certified by Experian (formerly TRW)" (Page 1, bottom). Addressed at "Power Users", ique.com's news release states: "If you need a credit report or specific information from a credit report that is unique, a custom report can be built for you using MergeRight" (page 3, lines 1-3). Ique.com follows with a number of sample custom reports produced for their clients on pages 3 and 4. The Examiner concludes that the SMART.ALX software product offers the capabilities and motivation to facilitate error corrections in consumer credit reports because ique.com's SMART.ALX software presents the combined information of the three major credit reporting agencies and then can display the borrower's credit information in the customized format which will facilitate the expeditious discovery of credit information errors according to the customer's unique methods for assisting borrowers to discover such errors. In turn, the discovered errors can be entered into Novastar's computer automated error dispute communication system.

- **Tengel:** "..., a loan origination system is desired that automatically matches any potential borrower to the best available loan and that aids in easy access to information about the loan market for both potential borrowers and lenders. With such an improved loan origination system, any potential borrower can have fast and efficient access to a best available loan, and the lender can offer more accurate and competitive loan terms to a potential borrower having a corresponding set of borrower attributes" (Col. 2, lines 15-23).
- **Dykstra:** "..., a need exists for a fully integrated credit evaluation and loan processing system which provides access to multiple lenders, and which provides for complete evaluation and approval of a loan. The present invention satisfies such need, as well as others, and overcomes the deficiencies in systems heretofore developed" (Col. 1, lines 57-62).

For the above reasons, it is believed that the rejections should be sustained.

Art Unit: 3628


Respectfully submitted,


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Examiner
Art Unit 3628

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